MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

(TRIMESTER 3, 2016/2017)

BLC2014 – BUSINESS AND COMMERCIAL LAWS

(All Sections / Groups)

1 JUNE 2017
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 3 pages including cover page.
2. Answer **ALL FOUR (4)** questions.
3. Marks for each of the questions are given.
4. Please write all your answers in the **Answer Booklet** provided.

ANSWER ALL QUESTIONS.

QUESTION 1

Explain the procedure by which a Bill becomes an Act of Parliament in Malaysia.

(Total: 25 marks)

QUESTION 2

(a) The case of *Salomon v Salomon & Co Ltd.* [1897] AC 22 established the principle that a company is a separate legal entity from its members/shareholders. This principle is also known as the *veil of incorporation.*

Explain and discuss the following and support your answer with the relevant statutes and decided cases:-

(i) What is *veil of incorporation*?

(ii) State any four (4) instances when the corporate veil may be lifted by judicial veil lifting.

(13 marks)

(b) Amin intends to set up a new *Sendirian Berhad* company in 2017.

Explain and discuss the following and support your answer with the relevant statutes and decided cases:-

(i) State the features of the *Sendirian Berhad* company provided in the Companies Act 2016.

(ii) What are the duties of a director to the company?

(12 marks)

(Total: 25 marks)

Continued...

QUESTION 3

(a) Peter is a clerk in a law firm. In his spare time, Peter buys and sells second-hand cars. On average Peter buys and sells five (5) cars per month. He has been running this business for more than a year.

Last month Peter sold and delivered a second-hand Toyota *BlueFire* to Lim. Lim paid the purchase price of the said car. Lim bought the car for his family usage. Before the sale was concluded, Lim told Peter that he has no experience on buying cars. Peter replied that all the cars that he sold are in good condition. Lim briefly inspected the car before purchasing.

Last week Lim returned the car to Peter. Lim complained that the car's braking system was seriously defective. As a result, Lim met a car accident and suffered several injuries. He has demanded that the purchase price of the car be returned to him. An inspection by another reliable workshop showed that the car's braking system was indeed seriously defective.

Advise Peter on his rights under the Sale of Goods Act 1957.

(15 marks)

(b) Siti Hajar wishes to terminate the agreement to sell her apartment to Faizal on the following grounds:-

(i) that the price was paid by Faizal's wife; and
(ii) that the price was too low.

Discuss the legal position of Siti Hajar under the law of contract.

(10 marks)

(Total: 25 marks)

QUESTION 4

Mary, a 15-year old student, buys a bicycle on installment from Ah Tong's Bicycle Shop. Now Mary cannot pay the monthly installment to Ah Tong.

Advise Ah Tong on whether he can sue Mary for breach of contract? Support your answer with the relevant statutes and decided cases.

(Total: 25 marks)

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